



DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224

OFFICE OF  
CHIEF COUNSEL

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CONEX 152416-02  
CC:PSI:8

[REDACTED]

Attention: [REDACTED]

Dear [REDACTED]:

I am responding to your September 11, 2002 inquiry on behalf of your constituent, [REDACTED] is considering purchasing a truck to tow a trailer and is concerned that this truck is subject to federal excise tax.

I cannot comment on whether the vehicle [REDACTED] referred to is subject to federal excise tax. However, I hope the following general information is helpful.

The Internal Revenue Code (the Code) imposes a 12 percent excise tax on the first retail sale of tractors of the kind chiefly used for highway transportation with a trailer or semitrailer [Section 4051(a)(1)(E) of the Code]. If a vehicle is primarily designed to tow another vehicle, such as a trailer or semitrailer, the vehicle is a tractor [Section 145.4051-1(e)(1) of the Temporary Excise Tax Regulations Under the Highway Revenue Act of 1982]. A tractor is a taxable vehicle regardless of whether the trailer or semitrailer the tractor tows is used for recreational or commercial purposes.

If you have any questions, please contact me at [REDACTED] or [REDACTED] at [REDACTED]

Sincerely,

Heather C. Maloy  
Associate Chief Counsel  
(Passthroughs and Special Industries)